

CGB-CC-0004

January 9, 2012

Case Identifier: CGB-CC-004

Received & Inspected

Office of the Secretary  
Federal Communications Commission  
Attention: Disability Rights Office, Room 3-B431  
445 12<sup>th</sup> Street SW  
Washington, DC 20554

JAN 17 2012

FCC Mail Room

Re: Request for exemption from Commission's rule for programmers to provide closed captioning under amended Part 79 of Chapter 1, Subchapter C, of Title 47 of the Code of Federal Regulations, Section 79.1(f)(1).

To the Commissioners of the FCC:

It is our understanding that our petition granted in 2006 for an exemption from closed captioning is now subject to be dismissed on January 18, 2012. Inasmuch as we desire to continue to be exempt from the closed captioning rule, as we still do not have the financial resources to incorporate closed captioning as a service to the deaf community, and since the worship segment has been "signed" by deaf interpreters since 2004, we feel we are at least partially in compliance with the order which is designed to serve the deaf community.

Our program is a one hour broadcast of a religious nature that is aired by the NBC affiliate (KDLT) in Sioux Falls, South Dakota, and also on the Fox affiliate (KEVN) in Rapid City, South Dakota. In the case of both stations we are required to purchase the hour of air time. The program is produced in its entirety by a volunteer staff. We have only one person who receives compensation for the final editing of the program at a rate of \$15.00 an hour, or about \$50.00 per program. We therefore apply to continue to be exempt under Section 713 (e) which defines "undue burden" to mean "significant difficulty or expense". In doing so, we ask you to consider the following factors:

1. Since the amended FCC ruling became public, we have had numerous proposals from various private companies to provide the service for us. Most have been in the area of \$175.00 to \$ 250.00 per half hour. The best proposal we received is from one of the stations (KDLT) we currently buy air time. Their proposal is for a minimum of three hours at \$50.00 per hour or \$150.00 for the hour. They would also charge an additional \$25.00 for dubbing a copy for the Rapid City station. The minimum charge would then be \$175.00 if this could be accomplished in a three hour period, with a \$50.00 per hour surcharge for additional time. At the minimum rate of \$175.00 per program, this would add \$9,100.000 to the annual cost of our program, or about a 10% increase in the cost of airing the program. The second proposal from Dynamic Captioning would require additional time in editing and purchase of additional software for our editing system, and even without those considerations is still more expensive than the KDLT proposal. We contend this would constitute a "significant difficulty or expense". We also maintain this obligation would very likely cause us to "stop production" and discontinue operations.
  - A. 501 (c) (3) Tax returns for year 2010
  - B. Cost estimations by two captioning providers

C. Statement of budget implications

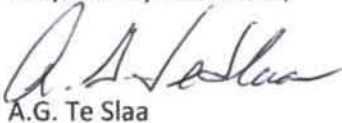
2. Since 2004 we have utilized deaf interpreters to "sign" the worship service. We use a "picture in picture" format where we insert the video of the interpreter into the lower right portion of the picture. We also open caption several parts of the program such as the Apostles Creed, the Lord's Prayer, the confessions, and all hymns. We feel this fulfills the "spirit" of the FCC ruling to provide assistance to the deaf community. We have been told that captioning is like a second language to the deaf community. Our interpreters also work with us without any pay to make the program friendly to the deaf community. Under section II, Background for Closed Captioning Exemptions, we feel this would qualify as a consideration for "any other factors the petitioner deems relevant to the Commission's final determination" as referenced in paragraph 3 of the section.

D. Letter from Rev. Matthew Nix, South Dakota LCMS District Deaf Ministry Coordinator.

3. At this time, the program relies almost exclusively on donations from the viewers and congregations of South Dakota. The early years we were able to secure limited amounts of grants to help with the financial obligations. Recently, we have noticed the tightening of church budgets, and grant money from auxiliary groups and granting agencies have been very difficult to acquire. We have talked with several of our church membership about sponsorship of the program but with no success. Recently, as a result of this FCC action, I contacted several businessmen about specifically paying for the captioning portion, but again, without success. Their rationale is "because our primary audience is aged shut-ins, they are not part of the demographic they are trying to reach."
4. We received the exemption from captioning in September of 2006. While we didn't understand it to be a permanent exemption, we did little to bring the program into compliance with the captioning rule. With this ruling, it is apparent we will need to address this issue in the coming months to see if there is anything additional we can do to comply with the wishes of the FCC. Since our budget has always been and is still tight, we would ask for a two year exemption in order to investigate ways how we could be brought into compliance. We would appreciate a bi-annual review of our situation, instead of forced discontinuation.

Therefore, based upon the above statements and supporting documentation, we petition the Commissioners of the Federal Communications Commission to grant to Main Street Living Inc., and exemption to the Closed Captioning Rule as it would create an undue burden and possibly force us to cease operations and discontinue programming.

Respectfully submitted,



A.G. Te Slaa

Chairman of the Board of Directors  
Main Street Living, Inc.



Form **990-EZ****Short Form**  
**Return of Organization Exempt From Income Tax**

OMB No. 1545-1150

**2010**Department of the Treasury  
Internal Revenue Service

- Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)
- Sponsoring organizations of donor advised funds, organizations that operate one or more hospital facilities, and certain controlling organizations as defined in section 512(b)(13) must file Form 990 (see instructions). All other organizations with gross receipts less than \$200,000 and total assets less than \$500,000 at the end of the year may use this form.
- The organization may have to use a copy of this return to satisfy state reporting requirements.

**Open to Public Inspection**

**A** For the 2010 calendar year, or tax year beginning **2010**, and ending **2010**

**B** Check if applicable:

☐ Address change  
☐ Name change  
☐ Initial return  
☐ Terminated  
☐ Amended return  
☐ Application pending

**C** Name of organization  
**MAIN STREET LIVING INC**

Number and street (or P.O. box, if mail is not delivered to street address) Room/suite  
**2505 E SLATEN PARK CIR**

City or town, state or country, and ZIP + 4  
**SIoux FALLS SD 57103**

**D** Employer identification number  
**000000000**

**E** Telephone number  
**(605) 334-0545**

**F** Group Exemption Number **.....**

**G** Accounting Method: ☒ Cash ☐ Accrual Other (specify) **.....**

**H** Check ☒ if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

**I** Website: **N/A**

**J** Tax-exempt status (ck only one) — ☒ 501(c)(3) ☐ 501(c) ( ) (insert no.) ☐ 4947(a)(1) or ☐ 527

**K** Check ☐ if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$50,000. A Form 990-EZ or Form 990 return is not required though Form 990-N (e-postcard) may be required (see instructions). But if the organization chooses to file a return, be sure to file a complete return.

**L** Add lines 5b, 6c, and 7b, to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, line 25, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ. **\$ 91,125.**

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See the instructions for Part I.)Check if the organization used Schedule O to respond to any question in this Part I. ☒

<b>REVENUE</b>	1	Contributions, gifts, grants, and similar amounts received	1	91,097.
	2	Program service revenue including government fees and contracts	2	
	3	Membership dues and assessments	3	
	4	Investment income	4	28.
	5a	Gross amount from sale of assets other than inventory	5a	
	5b	Less: cost or other basis and sales expenses	5b	
	5c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	5c	
	6	Gaming and fundraising events		
	6a	Gross income from gaming (attach Schedule G if greater than \$15,000)	6a	
	6b	Gross income from fundraising events (not including \$ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	6b	
6c	Less: direct expenses from gaming and fundraising events	6c		
6d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	6d		
7a	Gross sales of inventory, less returns and allowances	7a		
7b	Less: cost of goods sold	7b		
7c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c		
8	Other revenue (describe in Schedule O)	8		
9	<b>Total revenue.</b> Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	9	91,125.	
<b>EXPENSES</b>	10	Grants and similar amounts paid (list in Schedule O)	10	
	11	Benefits paid to or for members	11	825.
	12	Salaries, other compensation, and employee benefits	12	
	13	Professional fees and other payments to independent contractors	13	
	14	Occupancy, rent, utilities, and maintenance	14	
	15	Printing, publications, postage, and shipping	15	724.
	16	Other expenses (describe in Schedule O) See Form 990-EZ, Part I, Line 16 Other Expenses	16	97,316.
	17	<b>Total expenses.</b> Add lines 10 through 16	17	98,865.
18	Excess or (deficit) for the year (Subtract line 17 from line 9)	18	-7,740.	
<b>ASSETS</b>	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	58,619.
	20	Other changes in net assets or fund balances (explain in Schedule O)	20	
	21	Net assets or fund balances at end of year. Combine lines 18 through 20	21	50,879.

**BAA** For Paperwork Reduction Act Notice, see the separate instructions.Form **990-EZ** (2010)

Form O (Form 990 or 990-EZ), Supplemental Information to Form 990 or 990-EZ

Form 990-EZ, Part I, Line 16 Other Expenses

Other expenses (describe in Schedule O)

BROADCAST FEES	83,093.
EQUIPMENT PURCHASES	370.
INSURANCE	844.
LICENSES AND PERMITS	20.
MEALS & ENTERTAINMENT AND DINING	
MISCELLANEOUS	40.
Depreciation	12,763.
TAX	186.
Total	<u>97,316.</u>



## FCC overturns 298 previously granted closed captioning waivers.

*On October 20th, 2011 the FCC issued an order overturning closed captioning waivers, and which will require programming to be captioned commencing January 19th, 2012.*

*Dynamic Captioning is a full service provider of captioning & encoding, and can fulfill your FCC requirements with accurate and dependable service at competitive rates.*

*Call today for service and ask for Craig!*

**CALL TOLL FREE 866.355.0811**



- **Real-Time**
- **Offline**
- **English and Spanish**

**Dynamic Captioning LLC**

5740 Foremost Drive SE  
Grand Rapids, MI 49546

Program Length	English Captioning		
	Origination Offline Captioning		Real-Time
	Pop-On	Rollup	
30 Minutes	\$230	\$165	\$60
60 Minutes	\$459	\$330	\$110

FTP proxy file and (cc) file transfer available in a number of compatible file formats.





KDLT-TV

Date: December 16, 2011

To: Zion Lutheran Church  
Mainstreet Living  
1400 S Duluth Ave  
Sioux Falls, SD 57105  
605-357-8000

Salesperson	Job	Payment Terms	Due Date
	Closed Captioning	Due upon receipt	

Qty	Description	Unit Price	Line Total
3.00	Minimum requirement of hours provided for closed captioning	\$ 50.00	\$ 150.00
	Rate for additional hours needed for closed captioning services	50.00	
	Rate for closed caption dubs	25.00	

Quotation prepared by:

*Mari Ossengoot and Kim Shaddard*

This is a quotation on the goods named, subject to the conditions noted below:  
Prices subject to change.

Subtotal \$ 150.00  
Sales Tax  
Total \$ 150.00

To accept this quotation, sign here and return: \_\_\_\_\_

Thank you for your business!

3600 S Westport Ave, Sioux Falls SD, 57106, 605.361.5555

**Main Street Living Weekly operating costs and effects closed captioning will have on the budget:**

2010 Total Income	\$91,125.00*
2010 Total expenses	<u>\$98,865.00*</u>
Deficiency for 2010	-\$7,740.00

**Breakdown of current fixed weekly expenses and production costs:**

**Weekly:**

Purchase of air time on KDLT	\$1,300.00
Purchase of air time on KEVN	\$ 400.00
Contracted editing	\$ 50.00
Miscellaneous(postage, materials, incidentals)	<u>\$ 14.50</u>
Total	\$1,764.50

Adjusted annually	\$91,754.00
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\*Taken from 2010 990-EZ tax returns for 2010

**Cost of adding Closed Captioning using lower cost KDLT proposal:**

KDLT Proposal to caption the program for \$150.00 per hour plus \$25.00 dubbing for KAUN  
Fifty-two week minimum cost (\$175.00 x 52) \$9100.00

This would be an increase of 10% in the last full years revenues and also in the current fixed expenses for production of the program (far exceeding the 2% sited in proposed Exemptions From Closed Captioning Rules).



## ***Trinity Lutheran Church of the Deaf***

4801 East Sixth Street  
Sioux Falls, SD 57110

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Matthew W. Nix, Pastor Phone (605)330-0724

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January 7, 2012

Dear A.G. Te Slaa,

I would like to take this time to thank you for the fine work you have done on the Main Street Living program. I have had numerous deaf people (both members of my congregation and non-members) who are truly grateful for this program.

They are grateful for a variety of reasons. First, it provides them for opportunity to worship when they otherwise might not be able to. Secondly they are grateful that it is interpreted into American Sign Language (ASL).

This second reason is extremely important for them because that is their natural language. When closed captioning is used two things make it difficult for many deaf people. First the grammatical structure of the English language is not the same as that of ASL. This causes some confusion as to what is being said. Secondly, the speed at which the captioning goes across the screen is faster than many English speaking people read. Now take someone whose first language is not English and the rate is quite difficult to keep up with.

Lastly, there are numerous religious programs from many different faiths that are captioned. To the best of my knowledge this is the only one in our region and one of a very few, at best, across our nation that is interpreted. This serves a very important role in the deaf community. I and many others would be greatly saddened and disappointed if your program were no longer able to fill this niche in the broadcast religious market.

Thank you for your time. If there is anything more I can do to help explain the reasoning behind my members' and my feelings in this matter please feel free to contact me.

In Christ,

Pastor Nix

***Breaking the Sound Barrier with the Gospel in Sign***

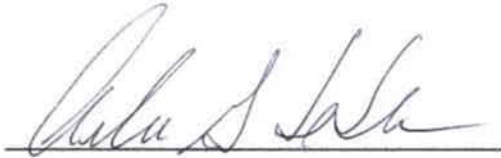


To Whom it may Concern:

I, Arlen Te Slaa, as Chairman of the Board of Main Street Living, Inc., a South Dakota, not for profit corporation, make the following statement of fact:

On January 9, 2012 I filed a petition on behalf of Main Street living, Inc. requesting an exemption from the closed captioning that will be required by television programmers as of January 19, 2012. Included in the petition are tax documents, cost estimations, income and expense summaries, and a letter from Rev. Matthew Nix.

All documents and claims I deem to be authentic, the facts accurate, and estimates based on the best information available at the time. I believe the petition reflects the true impact the FCC ruling will have on the operations and broadcast of the Main Street Living television program.



Arlen G. Te Slaa

1/10/12  
Date

Appeared before me this 10 day of January, 2012.

  
Notary Public

*My Commission Expires 8/1/2013*